Introduced by Senator Pavley

February 9, 2011

An act to amend Section 10295 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 224, as amended, Pavley. Public Contracts: Department of Water Resources.

Existing law provides that all contracts entered into by any state agency for goods, services, or other specified activities are void unless and until approved by the Department of General Services. That law exempts certain transactions and contracts from that law, as specified.

This bill would also exempt from that law specified contracts entered into by the Department of Water Resources, but would exclude from that exemption contracts for the sale, delivery, or use of water or power from the State Water Resources Development System or contracts for the use of the facilities of the State Water Resources Development System.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10295 of the Public Contract Code is
- 2 amended to read:
- 3 10295. (a) All contracts entered into by any state agency for
- 4 (1) the acquisition of goods or elementary school textbooks, (2)

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services, whether or not the services involve the furnishing or use of goods or are performed by an independent contractor, (3) the construction, alteration, improvement, repair, or maintenance of property, real or personal, or (4) the performance of work or services by the state agency for or in cooperation with any person, or public body, are void unless and until approved by the department. Every contract shall be transmitted with all papers, estimates, and recommendations concerning it to the department and, if approved by the department, shall be effective from the date of the approval.

- (b) This section applies to any state agency that by general or specific statute is expressly or impliedly authorized to enter into transactions referred to in this section.
 - (c) This section does not apply to any of the following:
- (1) Any transaction entered into by the Trustees of the California State University, by the Board of Governors of the California Community Colleges, or by a department under the State Contract Act or the California State University Contract Law.
- (2) Any contract of a type specifically mentioned and authorized to be entered into by the Department of Transportation under Section 14035 or 14035.5 of the Government Code, Sections 99316 to 99319, inclusive, of the Public Utilities Code, or the Streets and Highways Code.
- (3) Any contract entered into by the Department of Transportation that is not funded by money derived by state tax sources but, rather, is funded by money derived from federal or local tax sources.
- (4) Any contract entered into by the Department of Personnel Administration for state employee benefits, occupational health and safety, training services, or combination thereof.
 - (5) Any contract let by the Legislature.
- (6) Any contract entered into under the authority of Chapter 4 (commencing with Section 11770) of Part 3 of Division 2 of the Insurance Code.
- (7) Any contract of a type specifically mentioned and authorized to be entered into by the Department of Water Resources under the Water Code, or any contract entered into by the Department of Water Resources that is not funded by money derived from state tax sources, but rather, is funded by money derived from federal and local sources. This paragraph does not apply to-contracts for

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the sale, delivery, or use of water or power from the State Water Resources Development System. either of the following: 3 (A) Contracts for the sale, delivery, or use of water from the State Water Resources Development System. 4 (B) Contracts for the use of the facilities of the State Water 5 6 Resources Development System. 7 8 9 **CORRECTIONS:** 10 Text—Pages 2 and 3. 11